
Teacher's Retirement Board Goals & Objectives

Introduction:

The Teacher's Retirement Board met on *August 7th 2014* to review and update organizational goals and objectives. The meeting included the following participants:

- Teachers' Retirement System (TRS) Board Members
 - Janice Muller
 - Marilyn Ryan
 - Lisa Cordingley
 - Scott Dubbs
- TRS Staff:
 - Executive Director, Shawn Graham
 - Deputy Executive Director, Tammy Rau
 - Communication Manager, Emma MacKenzie
 - Chief Legal Counsel, Denise Pizzini
 - Executive Secretary, Marjorie O'Rourke
 - Information Systems Manager, Rick Bush
- MEA-MFT Research Director, Diane Fladmo
- Facilitator, Jim Kerins

Based upon current internal and external dynamics and assessment of organizational strengths, weaknesses, opportunities, and threats, board members affirmed three broad goals for the organization:

- Maintain an actuarially sound, qualified retirement plan.
- Sustain a high performance work culture and service excellence.
- Continue and expand communication and outreach efforts

Mission:

The mission of the Teacher's Retirement System is to promote long-term financial security for our membership while maintaining the stability of the fund.

Vision:

The Montana Teachers' Retirement System (TRS) is the trusted partner for retirement services and security. TRS strives to earn the respect of our members, the public education community and citizens of Montana. We accomplish this by communicating effectively, being responsive, and employing an effective and empowered professional staff.

Values:

To earn the respect and trust of our members, we adhere to the following values:

- High ethical standards
- Honesty, integrity, and impartiality
- Dignity, respect, and mutual support
- Service excellence

Goal #1. Plan Maintenance

Maintain an actuarially sound, qualified retirement plan in compliance with the Montana State Constitution and federal and state laws and regulations governing the plan.

Objectives:

- a) **Perform an annual actuarial valuation** of the plan.
- b) **Periodically review and maintain the qualified plan status** by ensuring the plan is in compliance with the Federal Internal Revenue Code (IRC) and the Montana State Constitution.
- c) **Periodically perform an experience study** to ensure the assumptions used in the valuation are reasonable.
- d) **Continue improving the funded status to eventually eliminate the unfunded actuarial liability and establish a stabilization reserve.**
- e) **Work to ensure equitable benefits for all TRS members and retirees.**
- f) **Continue to evaluate the plan and develop recommendations to the board and legislature** to ensure the long-term viability of the system and that the system aligns with member and employer needs. Ensure the TRS Board is proactive and takes a leadership role in plan management (including defining problems and identifying solutions for legislators).
- g) **Monitor and respond to legislative initiatives** that may affect the system.

Goal #2. Organizational Development

Sustain a high performance work culture and service excellence through staff and board development, innovative leadership and management strategies, and expansion of organizational capacity.

Objectives:

- a) **Develop, enhance, and implement initial and ongoing board training and education** to ensure members are current on retirement system and related issues and to expose board members to new ideas and opportunities to improve the system.
 - i. *Action strategy:* Plan attendance at the summer conferences & NCTR training for all board members including mandatory training for new board members.
 - ii. *Action strategy:* Consider sending all board members to conferences or seminars so they can collaborate on ideas immediately subsequent to training.
- b) **Continue to develop and expand staff education & professional development** activities to develop and expand staff competency and expertise through on-the-job training, continuing education, and certification.

- c) **Maintain and continue to implement the agency succession plan** (including enhancing and documenting any current succession planning efforts) to ensure the smooth continuation and success of TRS business processes. This includes identifying and preparing suitable employees through mentoring, training, professional development, job rotation, and cross training, to replace key positions within the organization to prepare for retirements, changes in jobs, and/or employees who suddenly and/or unexpectedly become unable or unwilling to continue their role within the organization.
- d) **Develop and maintain information systems** to increase the proficiency and use of information technology to better serve members, communicate more effectively with constituents, and more effectively manage data and resources.
- e) **Update and maintain comprehensive disaster recovery and business resumption plans** to ensure continuity of operations and the security of TRS data and resources in times of emergency or disaster. This includes addressing areas such as information systems, contracting, staffing, risk management, facilities, and contingency planning. Coordinate with statewide disaster and emergency planning and recovery efforts.
- f) **Evaluate organizational capacity to implement GASB requirements, handle system growth, and other requirements (e.g., special projects)** and develop recommendations for the board.
- g) **Maintain and enhance the TRS's market and competency/performance-based pay systems** to sustain the TRS's ability to attract, retain, and motivate competent employees who support the organization's guiding principles.

Goal #3. Communication and Outreach

Continue and expand communication and outreach efforts to increase member and employer knowledge of and involvement with the system, to educate and inform other stakeholders about the system, and to foster support for the system.

Objectives:

- a) **Develop and expand education and communication initiatives** to ensure broad member and stakeholder understanding of TRS's value. Communicate with and educate the public, employers, members, and other stakeholders to ensure they have a clear understanding of TRS's role, fiduciary duties, and value to members and the state. Be more user-friendly in field communications. Proactively share information and facts regarding the retirement system, and address negative or inaccurate information with facts.
 - i. *Action Strategy:* Enable and educate members and employers to make informed decisions that lead to the long-term stability of the system and a predictable and secure retirement future. This includes involving them in solving problems and gathering support for difficult decisions necessary to ensure system viability.
 - ii. *Action Strategy:* Educate school boards and superintendents to ensure they understand system requirements and the implications of commitments made on behalf of the system, and to engage them in ensuring long-term system stability and compliance with system laws and requirements. This includes presentations to administrators when they meet (e.g., MCEL, Spring Conference, other conferences); describing cases regarding administrator issues; presentations to school boards (and a concise information sheet or five minute video); creating a page on the website for school board trustees.
 - iii. *Action Strategy:* When resources allow, work with partners to create or enhance programs on TRS and pension planning that is certified for continuing education credits and make it a part of educators' career training (e.g., working with the Office of Public Instruction); and work with MEA-MFT which provides renewal credit for TRS workshops and pursue other TRS training through the Montana Digital Academy.

- iv. *Action Strategy:* Develop focused presentations for new members – sell the program. Incorporate information about TRS into new hire orientation. Include information on how the system can benefit participants now in addition to the future (e.g., disability and survivor benefits). Educate the public on the benefits of the return coming back to the state (i.e., the economic benefit of public retirement funds).
 - v. *Action Strategy:* Maintain and improve a coordinated communication outreach program coordinated by the Communication Manager including increased communication to members, establishing networks with local communication providers, expanding communication with employers, using technology to enhance communication, etc.
 - vi. *Action Strategy:* Educate members, policymakers and the public of the problems associated with shifting from a Defined Benefit (DB) program to a Defined Contribution (DC) program and the fact that it won't necessarily save money.
- b) Utilize technology to enhance communication with members and other constituents** including expanding and implementing Internet access, interactive databases, webcasts/podcasts, and other distance learning/communication tools.
- i. *Action Strategy:* Create 1- 5 minute video clips, "blasts," or podcasts to deliver timely and concise information (as opposed to lengthy documents).
 - ii. *Action Strategy:* Maintain and enhance electronic information systems to improve the quality, integrity, and accessibility of data.
 - iii. *Action Strategy:* Explore and pursue the implementation of online enrollment and forms through M-Trust and related information systems; and enhance M-Trust capability to make information available to employers, members, retirees, and other interested parties (e.g., the Montana Public Employees Retirement Administration).
 - iv. *Action Strategy:* Increase the level of public service and education through the availability and exchange of electronic information with all educational institutions in Montana and with individual members of TRS, by expanding utilization of electronic media and establishing direct communications with members, other public retirement systems, and the general public. This includes exploring ways to reach individuals and groups through interactive webinars and building on this possibility to include individuals in regions (e.g., calendared webinars with school clerks).
- c) Develop and enhance collaborative relationships with affinity groups to better serve our common constituencies.** This includes activities such as disseminating information through newsletters, publications, and affiliated associations (e.g. SAM); increasing information disseminated via the media; and utilizing their expertise and resources to educate and inform Board members, staff, and other stakeholders.